Iowa Balance of State Continuum of Care

2015 Proposed Renewal CoC Competition Plan

Comments Received

This document reflects comments submitted by email by the requested date of March 6, 2015.

Ben Brustkern, Cedar Valley Friends of the Family:

Under proposed process.

What will happen to projects that have unspent funds from the most recently completed year? Would like to see a cushion of 5-7% allowed for unexpended funds, any outside of that window could be recaptured for a new project if the grantee is unable to make a strong case to retain those funds. Even those within the 5-7% range should have to provide a reasonable explanation for not expending all funds.

Assuming HUD follows the same Tier 1 and Tier 2 process as recent years, how should Tier 1 projects be selected? All of the projects should be ranked and then placed in the appropriate tier based on funding availability. However, I would not be opposed to a threshold of points that must be met to be placed in tier 1. For example the threshold is set at 75 points and anyone who scores lower is placed in tier 2.

Should lower scoring projects be eligible for only a percentage of renewal funding? This type of scoring could adversely affect the operations of the project. While under spending is a problem and needs to be dealt with, this would create other issues for programs that fully expend funds. While scoring low is based on performance. This percentage drop could start to cripple programs that fully expend. I believe that you either fund based on needs, place into tier 2, or no longer fund the program.

Project Design:

1. Prioritization to end chronic homelessness: Although I believe this is important it will have a negative effect on rural programs. This should be part of the application, but balanced with the rural areas of Iowa in mind also. I believe that putting this with question 2 could be one way to do this. It could ask about priority and services to chronic homeless, unsheltered, and sheltered populations.

Continuum of Care Participation

Questions 10 and 11 ask about participating in the Iowa Council on Homelessness and whether they have been active within committees and working groups. This should be within the application, but

would like clarification on whether this is double checked with Iowa Council on Homelessness attendance.

Carrie Dunnwald, Cedar Valley Friends of the Family:

Question #1) Prioritization-part d.-what is meant by identify projects response on 2013 and 2014 and compare results this year. I am assuming this means if you are doing what you said you were going to do in 2013 and 2014, but a little more clarification would be beneficial.

Question #4) Are you looking for specific information in the "discussion of past performance related to this goal"? Further clarification would be beneficial on what information you are looking for when asking how our projects will further this goal.

Dave Hagen, HACAP:

As we think about ranking programs and how those respective rankings may impact future grantee funding, the process review is important. Overall, this draft document outlines the application process well and contains a detailed timeline that informs any potential grantee of the grant process. This is a good thing.

With that general statement about the overall flow of the application plan, I would like to address a few of the details of the renewal project plan.

The portfolio of available housing services.

HUD recognizes the need for several different types of housing services: emergency shelter, transitional housing, permanent supportive housing,, services only systems and street outreach. The renewal application plan recognizes this reality on page three under the subsection voluntary reallocation with the following statement:

"HUD encourages communities to analyze their portfolio of grants to determine if there is the right mix of housing and services and whether funding for some projects, in whole or in part, should be reallocated to make resources available for new efforts."

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Fundamentally, the need for a housing portfolio and a coordinated intake or entry system for the CoC are a result of a singular observation about homelessness in Iowa: the people that are homelessness are not a uniform population. Instead they represent a diverse population with each subpopulation entering the system with a different set of needs. The goal of coordinated intake or entry is to assess those presenting with housing needs and then referring or placing them with the most appropriate housing option that fits their set of needs. Having a portfolio of housing services aligns with the approach the development of housing options that fit the needs of homeless Iowans in the collective.

If you agree with this approach for the reduction of homelessness in Iowa, then the renewal application plan should reflect the development of a highly functioning portfolio of available housing services. More specifically, the ranking system should compare apples to apples and pears to pears. In other words, transitional housing programs should be ranked against transitional housing programs; emergency shelter should be ranked against emergency shelters and so forth. Thus, if you are going to consider giving value to a scoring criterion like #7 (cost per client served), you will skew scores in favor of shelters (over PSH, for example) if you are doing simple total budget divided by number served calculations. You may be able to perform some mathematical gymnastics – including total nights of shelter in the denominator may create a more uniform statistic for ranking purposes -- though, it may be more appropriate to score this criterion based upon national averages (or benchmarks) for each type of housing service. For example, shelters with a cost-efficiency per client equal to or better than the national benchmark for shelters would be awarded full points; those that have a higher cost per client compared to the national benchmark for the particular housing type would receive reduced or no points. In this manner the best of each housing type will score higher, ranking each component of the CoC's portfolio against like programs first.

Funding Reductions:

The plan recognizes that funding levels from HUD may change from year-to-year. On page four of the draft plan we find the following words that address funding fluctuations:

"Should lower-scoring projects be eligible for only a percentage of renewal funding? For example, the lowest-scoring 10% of projects only eligible for 70% of funds? Then the next set eligible for 80%, then 90%? This could free up funds for new projects."

The need for new projects is a separate topic. Given that the majority of the counties in the Balance of State currently have no HUD-funded services, we may have gaps of service, especially in rural counties, but that concerns is not being addressed here. These words appear to explore what happens when HUD reduces funds for renewal projects. This discussion suggests that the ranking some how reflects program quality and results. Some, but not all, criteria of the ranking system are tied to program performance. HUD has recognized standards for performance – criterion #8 "exits to permanent destinations" represents one of them – that we should use for the determination of funding reductions. We want

results to drive our decisions. As a council, if programs are not meeting performance expectations we should be assisting them to make improvements; programs that cannot meet expectations should be targeted first for fund reduction (or being moved to the competitive Tier #2). If all programs are meeting or exceeding expectations of program quality and program performance, then we need to look at across the board reductions. When we must rank programs the nature of the process creates a program ranked#1 and a program ranked #last even if all of them are A+ programs. Programs that are not meeting expectations whether the next funding cycles has a decrease, an increase or level funding should be considered for Teir 2 competition. We want to promote quality programs that are helping Iowans move out of homelessness. We do this by rewarding successful programs by making our decisions based upon program results and not their ranking.

Rank Criteria:

I have already addressed my concerns about criterion #7. Criterion #6 should receive more points if you can compare the number served to the number targeted to be served. For example, if a program plans to serve 100 families (their proposed target), but only serve 10 families this is reason to be concerned about the program's effectiveness and quality. Conversely, a program that served more than their target with good outcomes really is a program that should be ranked higher. Otherwise, criteria $5 (what was your budget) and #6 (how many served) really do not lend an substance to rank of value. I recommend replacement criteria like "did your staff participate in the most recent point-in-time count for unsheltered populations" and "are you involved with your local homeless coordinating body to foster coordinated entry?" These criteria will help measure local involvement of organizations.

Most of the other criteria are reasonable and straightforward. Criterion #15 (did you spend the money?) reminds me of the 1980s when program quality was defined by spending the money and how much you did with it. (Number of applications taken per dollar metrics, for example), but given the BoS CoC has some programs that fail to spend their renewal amounts this is becoming a significant issue when it can translate to a reduction of CoC funding overtime.

Criterion #1 seems a bit problematic as it would seem to rank PSH programs over TH, ES and even rapid rehousing (which by definitions has no beds). The availability (or insufficient amount) of more permanent supportive housing may be a real issue in Iowa (it will be interesting to track if the closing of state run mental health institutions increases the demand for PSH over time), but this is more a discussion for the appropriate portfolio mix of housing services than the ranking of existing projects for renewal. Consequently, I believe the number of points given to it is high. Ten percent of the rank potential is too high for a characteristic where not all housing types are designed to support the subpopulation of chronically homeless.

Criterion #3 (Housing First) reflects a more recent housing placement methodology which works to resolve housing issues and then address other presenting needs. This is an excellent criterion, which we

should operationalize as a performance measure. That being said, we still need to ensure that grantees have flexibility to serve their target populations. For example, Cedar Rapids has a shelter for women and another for men and families. The former should not be discounted in the name of Housing First for not serving a man that walks in and asked for assistance; the latter if an unaccompanied woman requests housing. In locations with active coordinated entry this kind of issue should be minimized. You may want to consider including definitions for terms like *Housing First* in the plan introductory sections.

In summary, this is a good draft. It can be improved by ensuring that all ranking criteria reflect measurable outcomes for program performance and works to support a healthy portfolio of housing service types to meet the existing needs of homeless Iowans living within the geographic area represented by the BoS CoC.

Crissy Canganelli, Shelter House:

Would there be a method through which to verify that the Balance of State and Collaborative Applicant have maximized points in all areas of the application? From the score sheet it is clear that there are opportunities for improvement which exceed the reach and scope of individual project performance. Many of us would be interested in helping in such an initiative.

If it is the intention of the Continuum of Care Committee to offer the opportunity to submit a preliminary application and then if the applicant is not satisfied with the initial project score to resubmit the project as a Voluntary Reallocation this should be detailed in the Application Timeline.

If reducing award amounts for the lowest scoring renewal projects does the change in budget amount change the status of the renewal project to a new project?

Q1: Prioritization to end chronic homelessness.
Consider broadening the language in this section to encourage applicants to respond regarding current rates of service for chronically homeless persons irrespective of prioritization. Shelter House, for example, has a relatively high rate of service for chronically homeless persons without prioritizing the specific population. There is no line of questioning regarding the transition to permanent housing for these individuals.

Q6: Total clients served:
Does total clients mean adults served or adults and children?

Q7: Based on responses to the prior two questions, what is the cost per client served? What cost-per-client factors should be considered for your program?
Is this cost per client based on total adults served or adults and children?

Is this cost per client based on SHP dollars only or SHP plus match?

Consider incentivizing projects by awarding points for project leverage, demonstrating Consistency with the Consolidated Plan, and contributing to other areas of deficiency within the Balance of State's summary application.

Consistent with feedback provided to last year's competition process Shelter House would appreciate the opportunity to proceed with a collaborative and deliberative approach in partnership with the ICH's Continuum of Care Committee, our regional HUD office and partner agencies. We could work together to discuss reallocation, change in project type and scope, the ins and outs and how best to work within HUD's own processes so as not to expose ourselves to unnecessary risk, etc.. This type of time and energy invested on the front end of the process would go far in building a greater sense of transparency, partnership, and trust as we move forward.

On behalf of Shelter House, we are serving hundreds of people through our Supportive Services Only program and are consistently achieving some of the highest performance outcomes related to housing placement, employment placement, and accessing other income sources. As such I would encourage consideration to historical rankings and consistency in performance. Shelter House would if necessary consider changing the program type and would welcome the opportunity to work planfully with others to do this.